

AGREEMENT BETWEEN
LEMOORE UNION ELEMENTARY SCHOOL DISTRICT,
CITY OF LEMOORE

AND

REDEVELOPMENT AGENCY OF THE CITY OF LEMOORE

This Agreement is entered into this 17 day of July,
1990, by and between the Lemoore Union Elementary School Dis-
trict ("District"), City of Lemoore ("City") and the Redevelop-
ment Agency of the City of Lemoore ("Agency").

RECITALS

1. The City Council of the City of Lemoore adopted and approved a Redevelopment Plan and Project by Ordinance No. 8615 in 1986.

2. The Agency has now proposed the adoption of Amendment No. One to the Lemoore Redevelopment Project (hereinafter the "First Amendment").

3. District is a taxing agency affected by the First Amendment and the allocation of tax increment revenues to Agency pursuant to the Community Redevelopment Law (Part I of Division 24 of the Health and Safety Code, commencing with Section 33000).

4. The Community Redevelopment Law authorizes re-development agencies to enter into agreements with taxing agencies having territory located in a redevelopment project area, other than a taxing agency which is also the community that adopted the project, for the purpose of alleviating any financial

burden or detriment caused to the taxing agency by the redevelopment project.

5. District has advised City and Agency of the potential impacts of the First Amendment on the District.

6. Implementation of the Redevelopment Plan will cause fiscal detriment to the District in that the redevelopment contemplated by the Redevelopment Plan will require additional land and capital facilities. The Agency desires to mitigate that detriment by providing funds to District for capital facilities and improvements including but not limited to the acquisition of land, buildings, and facilities; the reconstruction, renovation and remodeling of existing buildings; the provision of matching funds for participation in the state school building program; and related expenses.

7. District, City and Agency wish to enter into an agreement to alleviate the burden which may be caused to District by redevelopment activities.

8. Section 33401 of the Health and Safety Code permits a redevelopment agency to make any payments necessary to alleviate any financial burden or detriment caused to any affected taxing agency by a redevelopment project.

9. Section 33445 of the Health and Safety Code provides that a redevelopment agency may pay all or a part of the cost of installation and construction of publicly-owned buildings, facilities or improvements if such buildings, facilities or improvements benefits the project area and no other

reasonable means of financing the facilities are available to the community.

10. Section 33446 of the Health and Safety Code provides that a redevelopment agency may construct a school building or buildings upon a designated site within the project area and lease the site to the school district with title to vest in the district at the expiration of the lease.

11. Section 33679 of the Health and Safety Code provides that before committing tax increment revenues for the purpose of paying all or part of the cost of land or the installation and construction of publicly owned buildings, a public hearing shall be held and certain specified findings made.

AGREEMENT

District, Agency and City hereby agree as follows:

1. Definitions. The definition set forth after each of the following terms shall govern the meaning of such term whenever it is used in this Agreement.

A. "Amendment Area" means the territory that will be added to the project area by the adoption of the First Amendment. The Amendment Area is shown on Exhibit A of this Agreement.

B. "Existing Project Area" means the territory now comprising the project area of the Lemoore Redevelopment Project. The Existing Project Area is shown on Exhibit B of this Agreement.

C. "Total Project Area" means the territory included within the Existing Project Area and the Amendment area. The Total Project Area is shown on Exhibits A and B of this Agreement.

D. "Tax Increment" means, with respect to a particular fiscal year, the amounts received by the Agency from the Amendment Area pursuant to Health and Safety Code section 33670(b).

E. "District Share" means, with respect to a particular fiscal year, the percentage of the property taxes that the district would have received from the Amendment Area if there were no provision for the allocation of tax increment to the Agency. The District Share for the 1989-90 fiscal year is 16.159 percent.

2. Payments to and Establishment of Fund. Beginning with the 1990-91 fiscal year, and each fiscal year thereafter until termination of the Lemoore Redevelopment Plan and Project, the Agency shall pay into a special fund known as Lemoore Union Elementary School District Capital Facilities Fund (hereafter sometimes referred to as "the Fund"), which the Agency shall establish for purposes of this Agreement, as follows:

- a. The District's share of the annual increase in the tax revenues from the Total Project Area calculated under the provisions of Health and Safety Code section 33676(a)(2).
- b. When the dollar amount of the District's share of the annual increase in tax revenues

in the Amendment Area exceeds \$100,000, the amount deposited shall be increased to ten percent (10%) of the District's share less the District's proportionate share of the 20% required to be set aside for low and moderate income housing.

- c. When the dollar amount of the District's share of the annual increase in tax revenues in the Amendment Area exceeds \$200,000, the amount deposited shall be increased to twenty percent (20%) of the District's share less the District's proportionate share of the 20% required to be set aside for low and moderate income housing.
- d. When the dollar amount of the District's share of the annual increase in tax revenues in the Amendment Area exceeds \$300,000, the amount deposited shall be increased to twenty-five percent (25%) of the District's share less the District's proportionate share of the 20% required to be set aside for low and moderate income housing.
- e. When the dollar amount of the District's share of the annual increase in tax revenues in the Amendment Area exceeds \$400,000, the amount deposited shall be increased to thirty

percent (30%) of the District's share less the District's proportionate share of the 20% required to be set aside for low and moderate income housing.

Notwithstanding any provision in this Agreement to the contrary, the parties may subsequently agree in writing that any or all funds to which the District may be entitled herein shall be retained by the Agency for use on mutually acceptable projects.

Attached as Exhibit C is a hypothetical distribution of tax revenues based upon an estimated increase in the assessed valuation. The parties recognize that the actual distribution of tax revenues may vary substantially depending on the actual growth in the tax increment.

3. Tax Rate Increases. The Agency shall also pay directly to the District an amount equal to the increases in the rate of tax imposed for the benefit of the District, which levy occurs after the year in which the base tax year is established. Nothing herein is intended to restrict the District's right or ability to receive the proceeds of voter approved indebtedness as set forth in Health and Safety Code section 33670(e).

4. Investment of Fund. The Agency shall invest monies held by it in the Fund, and interest earned on the Fund shall accrue to the Fund. The Agency shall account to the District each January 1st with respect to the status of the Fund and the amount available for expenditure.

5. Use of the Fund. The Fund shall be used by the Agency only to pay for capital facilities, projects and improvements, as directed by the District, including but not limited to the acquisition of land and/or facilities; the construction of buildings and facilities; the reconstruction, renovation, or remodeling of existing buildings; the provision of matching funds for participation in the state school building program; and related expenses. The Agency shall approve all expenditures which meet the requirements of the Community Redevelopment Act, and such approval shall not be unreasonably withheld. If at the end of the term of the Plan/Project, there is any money remaining in the Fund, the Agency shall pay such remaining amount to the District.

6. Renegotiation. In the event that the District becomes a "basic aid" district or the current method of school funding changes such that the District no longer secures an advantage under this Agreement, the parties shall meet immediately in good faith and use their best efforts to revise this Agreement to carry out the original intent of the parties provided, however, that the Agency's payment obligations to or on behalf of the District shall not exceed those described in paragraph 2 herein.

7. Subordination. The Agency's obligation to make payments to the Fund pursuant to this Agreement shall not be deemed to be a first pledge of tax increments received by the Agency pursuant to Health and Safety Code section 33670(b). The

indebtedness of the Agency under this Agreement shall be subordinate to any pledge of tax increments by the Agency to bond or note holders or to the holder of any other instruments of Agency indebtedness, provided, however, that the Agency shall, prior to its issuance of any such indebtedness, demonstrate to District's reasonable satisfaction, its ability to make the payments due to District under this Agreement. In the event that the Agency fails to make a payment to the Fund because of the subordination provided for in this section, the Agency shall pay the amount owing as soon as possible thereafter together with interest at ten percent (10%) per annum from the date the payment was otherwise required to be made until the date paid.

8. Claim of Debt. The Agency shall be obligated to make the payments to the Fund required pursuant to this Agreement only from tax increments. To that end the Agency shall claim the amount owing to the Fund pursuant to this Agreement on the statement of indebtedness the Agency files pursuant to Health and Safety Code section 33675.

9. Waiver of Payment. The District hereby waives any right to receive payments pursuant to Health and Safety Code section 33676(a) with respect to the Total Project Area. If the District has previously elected to receive those payments, it shall take all actions necessary to rescind that previous election.

10. Indebtedness. The Agency's obligation to make payments pursuant to this Agreement is deemed to constitute an

"indebtedness" within the meaning of Health and Safety Code sections 33670 and 33675.

11. Documentation. The District agrees to execute and acknowledge any other documentation that may be necessary to give validity to this Agreement, including but not limited to, the subordination provisions of Section 8 hereof.

12. Legal Action. The District shall not bring any lawsuit seeking to invalidate or otherwise challenge the adoption of the Lemoore Redevelopment Plan or the First Amendment to said Plan or any actions by Agency or City in connection with the adoption of the Plan or the First Amendment. If litigation is initiated attacking the validity of this Agreement, the Plan, the First Amendment or if the Ordinance adopting the First Amendment is invalidated by a final judgment of a court of competent jurisdiction, or by referendum of such ordinance, then this Agreement shall become null and void.

13. Entire Agreement. This Agreement constitutes the entire understanding and agreement between the parties and supersedes all previous negotiations among them. Except as otherwise expressly provided herein, neither this Agreement nor any of the terms hereof may be amended, modified, waived or terminated except by a written instrument signed by the parties hereto. It is the intent of the Agency, the City and the District that the provisions of this Agreement constitute a full, complete, fair and equitable adjustment of all detrimental financial and other impacts which have resulted or may result

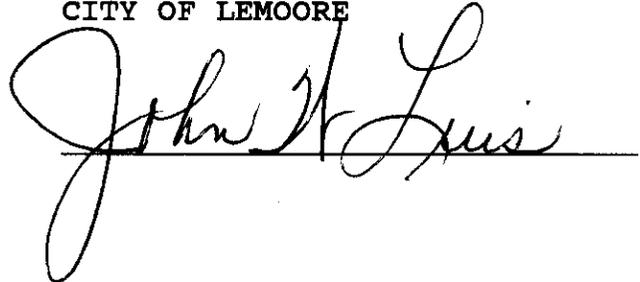
during the term of this Agreement from the Plan and the First Amendment.

14. Effective Date and Term. The effective date of this Agreement shall be the date when the Agreement is signed by the Agency; provided, however, that this Agreement shall become effective only upon the effective date of the ordinance of the City Council adopting the Plan.

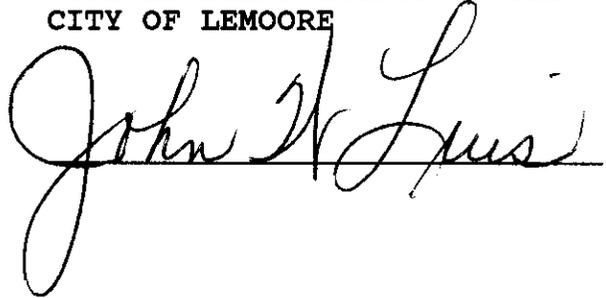
LEMOORE UNION ELEMENTARY
SCHOOL DISTRICT

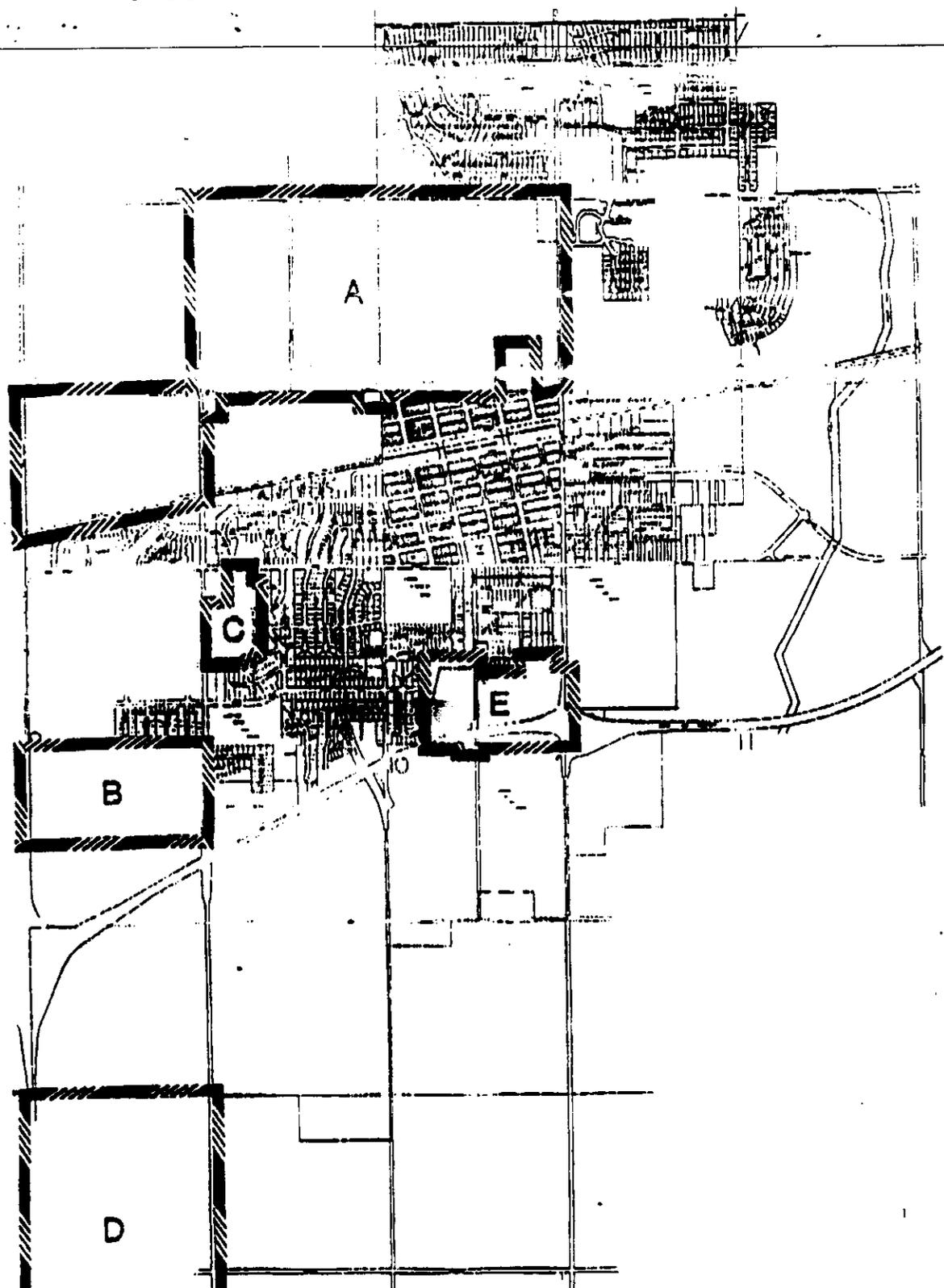
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CITY OF LEMOORE

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REDEVELOPMENT AGENCY OF THE
CITY OF LEMOORE

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AMENDMENT NO. ONE TO THE
LEMOORE REDEVELOPMENT PROJECT

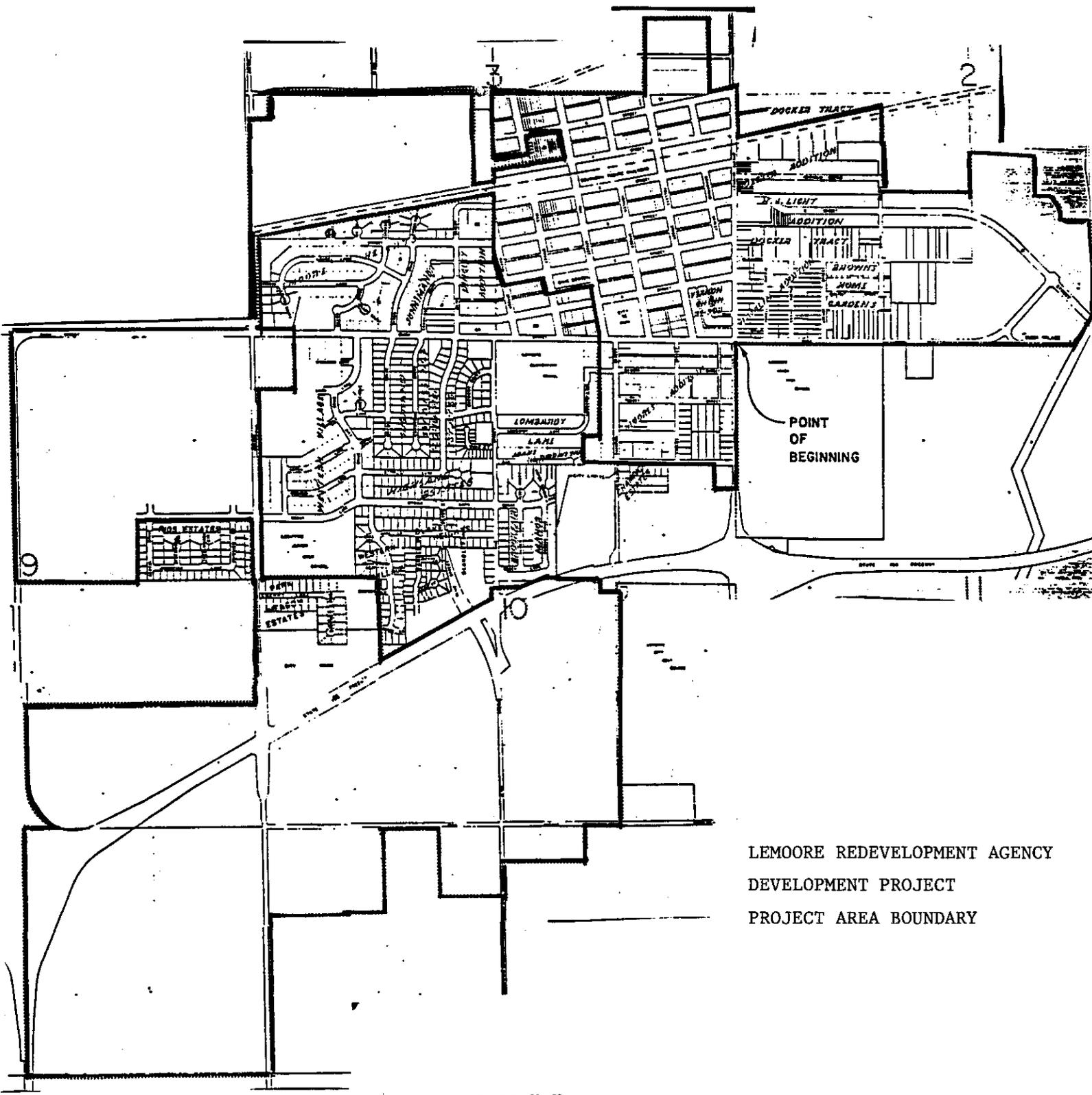
Project Area Map

▬▬▬▬ PROJECT AREA BOUNDARIES

A-E PROJECT SUB-AREAS



SCALE 0 1200 2400 feet



LEMOORE REDEVELOPMENT AGENCY
 DEVELOPMENT PROJECT
 PROJECT AREA BOUNDARY

EXHIBIT "B"

6/18/90

LEMOORE
REDEVELOPMENT
AGENCY

AMENDMENT

		(1)	(2)	(3)	(4)	(5)	(6)
	FY	AMENDMENT AREA ASSESSED VALUA- TION GROWTH	GROSS INCREMENT REVENUE (A.V.-BASE)*.01	LEMOORE ELEM. SCHOOL DIST. (.161592)	INFLATIONARY REVENUE TO ELEM. SCHOOL	PASS-THRU TO ELEM. SCHOOL: 100K-200K=10% 200K-300K=20% 300K-400K=25% 400K+ =30%	TOTAL TO ELEM. SCHOOL (C4+C5)
base	89-90	\$7,606,197					
1	90-91	\$22,758,321	\$0	\$0	\$0	\$0	\$0
2	91-92	\$30,813,487	\$232,073	\$37,501	\$497	\$0	\$497
3	92-93	\$38,929,757	\$313,236	\$50,616	\$752	\$0	\$752
4	93-94	\$48,208,352	\$406,022	\$65,610	\$1,013	\$0	\$1,013
5	94-95	\$56,672,519	\$490,663	\$79,287	\$1,279	\$0	\$1,279
6	95-96	\$65,305,969	\$576,998	\$93,238	\$1,551	\$0	\$1,551
7	96-97	\$74,112,088	\$665,059	\$107,468	\$1,827	\$8,415	\$10,242
8	97-98	\$77,075,572	\$694,704	\$112,259	\$2,110	\$8,770	\$10,880
9	98-99	\$80,159,634	\$725,534	\$117,241	\$2,398	\$9,139	\$11,537
10	99-00	\$83,366,020	\$757,498	\$122,422	\$2,692	\$9,525	\$12,216
11	00-01	\$86,700,661	\$790,945	\$127,810	\$2,991	\$9,926	\$12,917
12	01-02	\$90,168,687	\$825,625	\$133,414	\$3,297	\$10,343	\$13,640
13	02-03	\$93,775,434	\$861,692	\$139,243	\$3,609	\$10,779	\$14,387
14	03-04	\$97,526,452	\$899,203	\$145,304	\$3,927	\$11,232	\$15,158
15	04-05	\$101,427,510	\$938,213	\$151,608	\$4,251	\$11,704	\$15,955
16	05-06	\$105,484,610	\$978,784	\$158,164	\$4,582	\$12,195	\$16,777
17	06-07	\$109,703,995	\$1,020,978	\$164,982	\$4,919	\$12,707	\$17,626
18	07-08	\$114,092,154	\$1,064,860	\$172,073	\$5,264	\$13,239	\$18,503
19	08-09	\$118,655,841	\$1,110,496	\$179,447	\$5,615	\$13,794	\$19,409
20	09-10	\$123,402,074	\$1,157,959	\$187,117	\$5,973	\$14,372	\$20,345
21	10-11	\$128,338,157	\$1,207,320	\$195,093	\$6,338	\$14,974	\$21,312
22	11-12	\$133,471,684	\$1,258,655	\$203,389	\$6,711	\$15,600	\$22,311
23	12-13	\$138,810,551	\$1,312,044	\$212,016	\$7,091	\$16,254	\$23,345
24	13-14	\$144,362,973	\$1,367,568	\$220,988	\$7,478	\$16,926	\$24,404
25	14-15	\$150,137,492	\$1,425,313	\$230,319	\$7,874	\$17,626	\$25,500
26	15-16	\$156,142,992	\$1,485,368	\$240,024	\$8,277	\$18,354	\$26,631
27	16-17	\$162,388,711	\$1,547,825	\$250,116	\$8,688	\$19,111	\$27,799
28	17-18	\$168,884,260	\$1,612,781	\$260,612	\$9,108	\$19,896	\$29,004
29	18-19	\$175,639,630	\$1,680,334	\$271,529	\$9,536	\$20,711	\$30,247
30	19-20	\$182,665,215	\$1,750,590	\$282,881	\$9,972	\$21,556	\$31,523
31	20-21	\$189,971,824	\$1,823,656	\$294,688	\$10,418	\$22,431	\$32,849
32	21-22	\$197,570,597	\$1,899,645	\$306,967	\$10,872	\$23,336	\$34,207
33	22-23	\$205,473,525	\$1,978,673	\$319,738	\$11,335	\$24,271	\$35,606
34	23-24	\$213,692,466	\$2,060,863	\$333,019	\$11,808	\$25,236	\$37,044
35	24-25	\$222,240,164	\$2,146,340	\$346,831	\$12,290	\$26,231	\$38,521
36	25-26	\$231,129,771	\$2,235,236	\$361,196	\$12,781	\$27,256	\$40,027
37	26-27	\$240,374,962	\$2,327,688	\$376,136	\$13,283	\$28,311	\$41,560
38	27-28	\$249,989,960	\$2,423,838	\$391,673	\$13,794	\$29,396	\$43,116
39	28-29	\$259,989,559	\$2,523,834	\$407,831	\$14,316	\$30,511	\$44,697
40	29-30	\$270,389,141	\$2,627,829	\$424,636	\$14,848	\$31,656	\$46,304
	TOTALS		\$51,206,039	\$8,274,486	\$265,363	\$1,205,346	\$1,470,709

EXHIBIT C